

# MEDIA Release

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Iowa Department of Inspections and Appeals • Des Moines, IA 50319-0083

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### **‘March Madness’ Generates Sports Betting, Office Pool Questions**

DES MOINES, IOWA (March 2, 2011) – The announcement of the NCAA Tournament Brackets generates dozens of telephone calls to the Iowa Department of Inspections and Appeals’ (DIA) Social and Charitable Gambling Program. “Throughout the tournament and championship games, the Department receives inquiries as to what constitutes a legal sports betting pool,” DIA Food and Consumer Safety Bureau Chief Steven Mandernach said, adding: “We also receive numerous telephone calls from anxious office employees who want to know whether it’s okay to participate in an office pool.”

In general, Iowa law permits individuals to engage in social gambling situations, such as office pools, when the activity is conducted outside of a licensed beer and liquor establishment. Social gambling on the NCAA Basketball Tournament brackets is allowed as long as the following rules are adhered to:

- No participant may win or lose more than a total of \$50 in one or more games at any time during any period of 24 consecutive hours.
- All participants in the gambling activity must be individuals, and no participant may act as an agent for another person.
- The game must be conducted in a fair and honest manner.
- Individuals of any age may be permitted to participate in the gambling event.

Social gambling activities that are conducted on the premises of beer and liquor establishments are more heavily regulated, Mandernach added. “Sports betting pools are

allowed for each individual game in the tournament, but the establishment, itself, cannot operate or promote the gambling activity.”

In addition, a bar or tavern must have a valid two-year Social Gambling License issued by the Department in order for its patrons to participate in a sports betting pool. Other restrictions imposed on gambling activities conducted in liquor establishments include:

- All pools must be in a grid format, where participants select a square on the grid. The winner of the pool is the individual whose grid square corresponds to the score of the game.
- All pools must be only for one game or event.
- The pool rules, including the cost to participate and the amount of winnings must be publicly displayed.
- No participant may wager more than \$5 and the maximum winnings for all participants cannot exceed \$500. A participant may purchase more than one grid square, provided the maximum amount wagered does not exceed \$5.
- All participants must be 21 years of age or older, and must be in the establishment for reasons other than gambling.

“Sports betting and office pools are an annual activity during March Madness,” Mandernach said. “By following the rules, individuals can participate in legal social gambling activities while rooting their favorite team on to victory.”

The Department’s Social and Charitable Gambling Program regulates and licenses a variety of gambling activities, including bingo parlors, raffles, games of skill or chance, and amusement devices. Additional information about Sports Betting Pools may be found on DIA web site at <http://dia.iowa.gov/page5.html>. Individuals with questions about social or charitable gambling activities may contact the Department at (515) 281-6848.

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